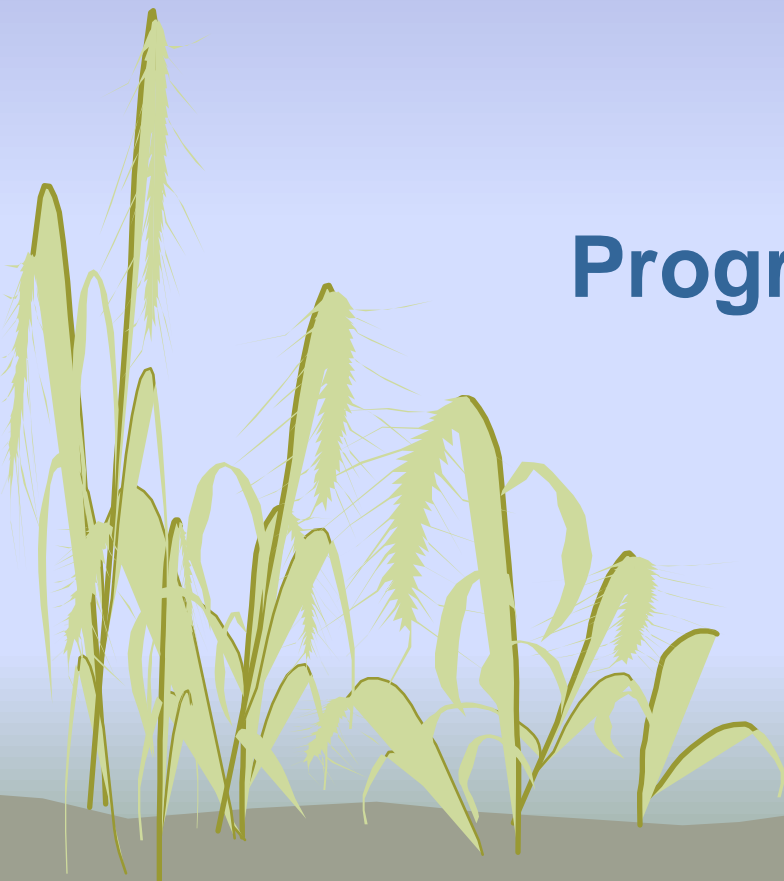


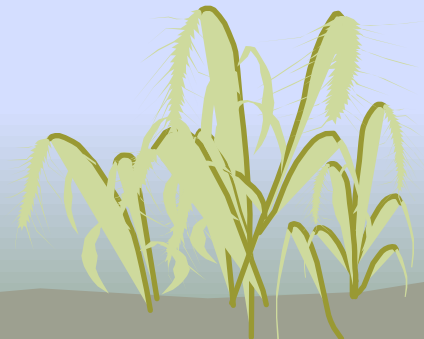
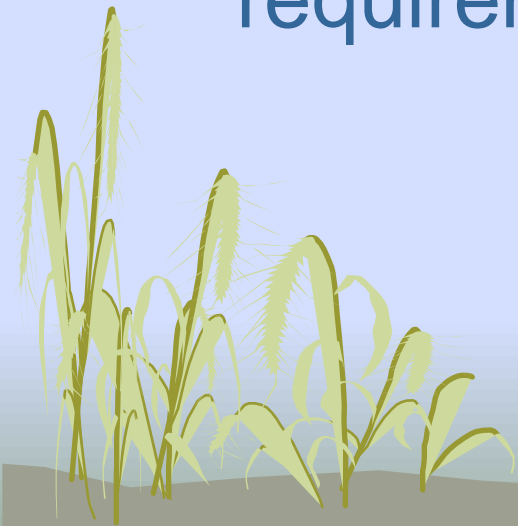
Sanction System

Program Violations



Sanction System Process

- To maintain program integrity
- To prevent and detect fraud and abuse and ensure compliance with federal requirements



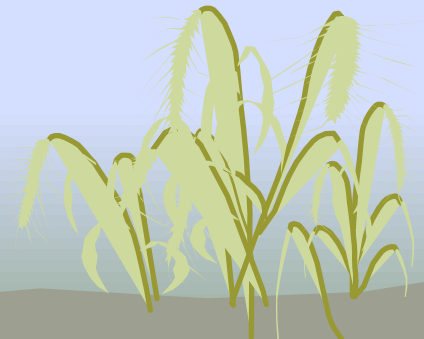
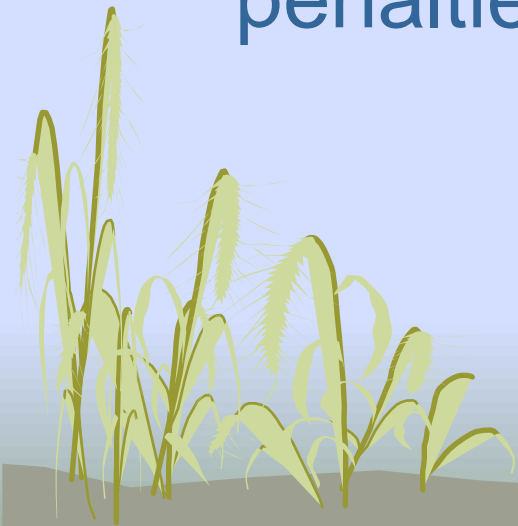
Sanction System Process

- The State Agency must notify the store and corporate office in writing when an investigation reveals an initial violation
- A pattern of two violations must be established in order to impose a sanction



Sanction System

- A means of monitoring the level of abuse
- An objective method of applying penalties



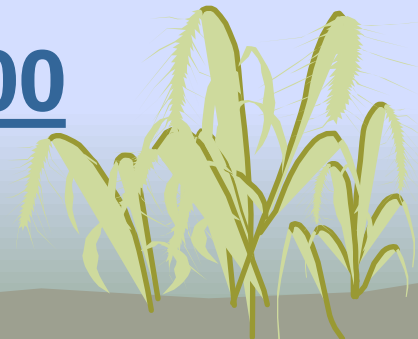
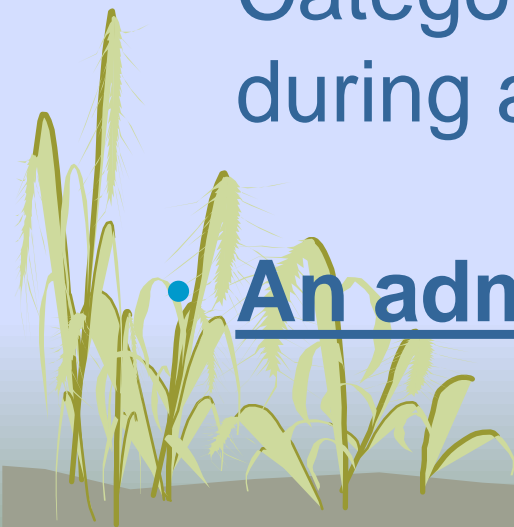
Sanction System

- State Agency abuses/violations are grouped into five (5) categories:

Category I Abuses:

- Category I abuses are usually detected during a compliance or education buy

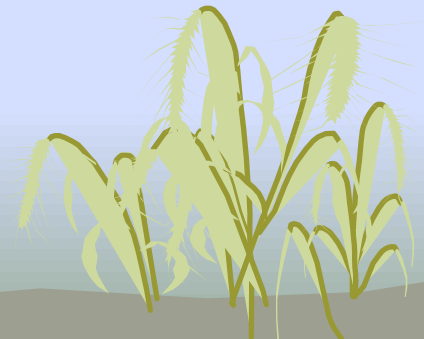
- An administrative fine of \$200.00



Sanction System

Category II Abuses:

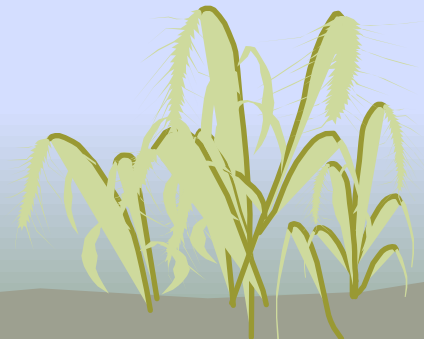
- These abuses are more significant and consist of errors in the WIC and CVC check redemption process
- An administrative fine of \$400.00



Sanction System

Category III Abuses:

- Category III abuses relates to the adequate stocking of WIC foods and the timely supply of infant formulas
- **An administrative fine of \$600.00**

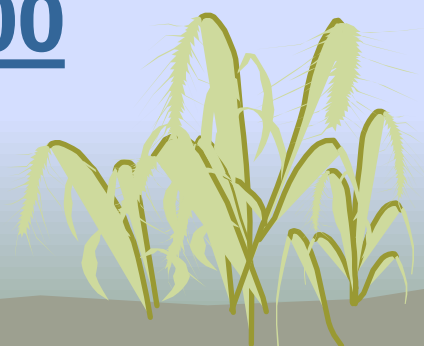
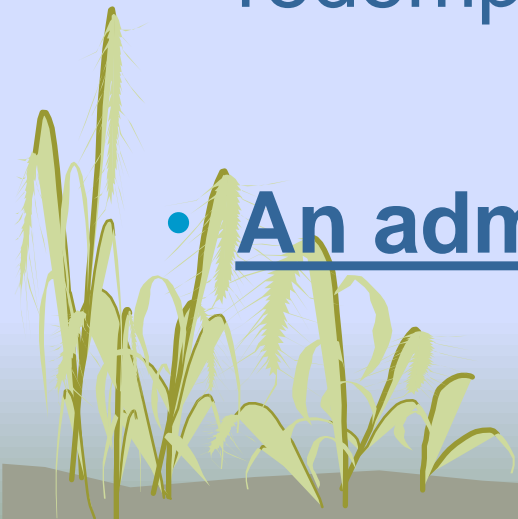


Sanction System

Category IV Abuses:

- Abuses in this category relate to the quality of WIC foods sold, participants access to food, and WIC and CVC redemption practices

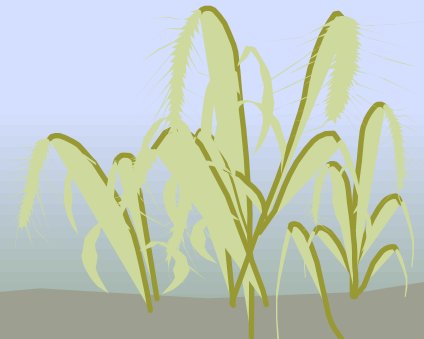
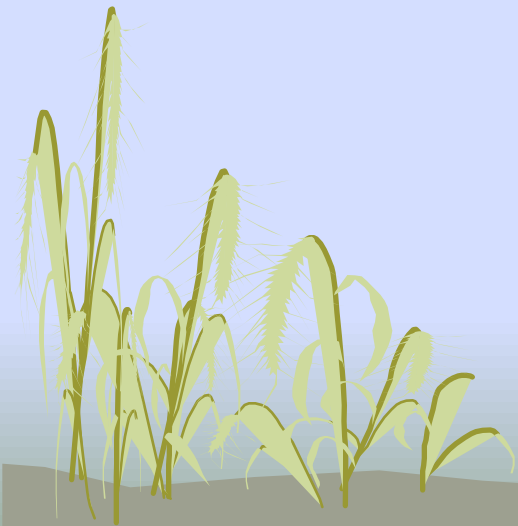
- **An administrative fine of \$800.00**



Sanction System

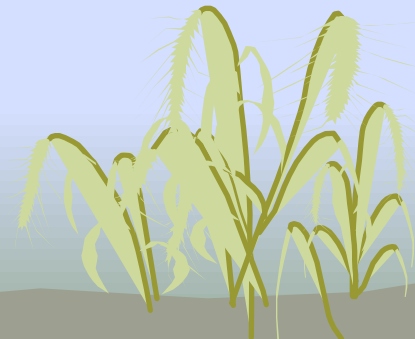
Category V Abuses:

- Category V abuses are the most severe
- **An administrative fine of \$1000.00**



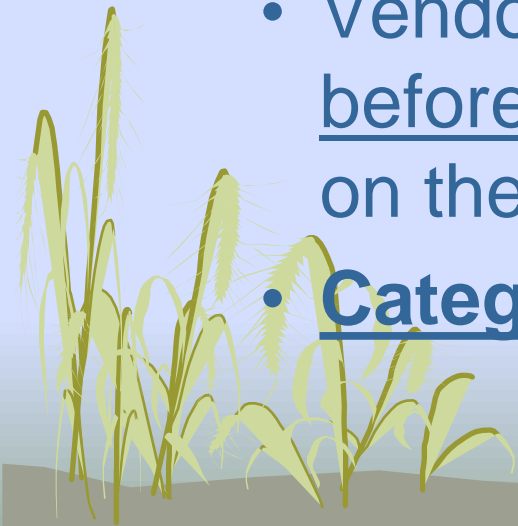
Guess What Category

- Vendor provides the WIC participant with cash for returned WIC food items.
- **Category V Abuses**
- Vendor fails to supply special formula within the 48-hour period.
- **Category III Abuses**



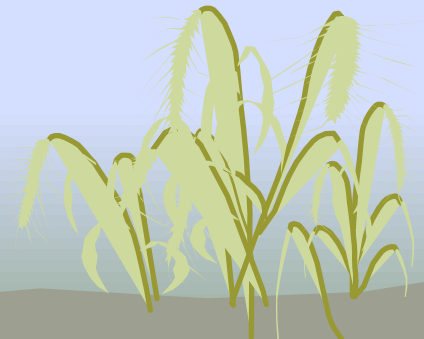
Guess What Category

- Vendor accepts WIC or CVC checks either before or after the valid period specified on the check
- **Category I Abuses**
- Vendor requests participants' signature before the amount of purchase was written on the WIC or CVC check
- **Category II Abuses**



Guess What Category

- Vendor does not accept the WIC I.D. Folder as sole proof of identity.
- **Category IV Abuses**
- Vendor does not allow participant to purchase the WIC approved foods from the WIC approved foods listing
- **Category III Abuses**



Guess What Category

- Vendor fails to cooperate with WIC monitoring procedures
- **Category IV Abuses**
- Vendor fails to comply with instructions to correct violations
- **Category V Abuses**

